



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

June 26, 2014

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
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Third District

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REPORT BACK ON THE FIRE DEPARTMENT'S FLEET MAINTENANCE REPAIR REQUEST FOR PROPOSAL (ITEM 65-A, AGENDA OF JUNE 4, 2014)

On May 27, 2014, during Public Comment at the Board of Supervisor's Meeting, speakers representing small automotive service vendors throughout Los Angeles County (County) addressed the Board regarding the Fire District's (District) fleet maintenance repair Request for Proposals (RFP). Specifically, the speakers expressed concern that the RFP requirement for potential bidders to have a minimum of five service repair facilities throughout the County would benefit large companies with the capacity to meet such a requirement and would eliminate small business vendors from participating in the RFP process. As a result of these comments, the Board instructed the Chief Executive Office (CEO) to report back on why this requirement was included in the RFP.

Background

The District has historically used up to 70 contractors under an "as needed" master agreement for the maintenance and repair of their non-emergency vehicles and peak workload associated with emergency vehicles. However, in 2012, County Counsel determined that because these services were full-time in nature, the "as-needed" service contract model was no longer viable resulting in the need to re-solicit for the services under Proposition A using the RFP process.

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Prior to issuing the RFP, the District held discussions with County Counsel and the Internal Services Department (ISD) on the option of establishing multiple or regional contracts with various vendors. Based on these discussions, the District decided to solicit the services of one prime vendor through the RFP process. ISD indicated they had success with obtaining competitive rates for a variety of services utilizing a similar contract model. In addition, one of the drawbacks with awarding multiple or regional contracts is that it could result in disparate pricing for identical services and/or supplies across different regions.

Fleet Maintenance Repair Requirement for the RFP

On May 6, 2014, the District issued a RFP inviting bidders to submit proposals for fleet maintenance and repair services. One of the contractual requirements included was that the selected vendor operates a minimum of five vehicle repair facilities located within the 2,305 miles of the County. The District currently has over 1,600 vehicles that need to be serviced and maintained and having one vendor with the capacity to operate multiple repair facilities throughout the County was deemed to be the most efficient and economical way to address this need. The RFP allows for subcontracting the five vehicle repair facilities so long as the main contractor is responsible for the entire scope of the fleet maintenance and repair services. At the bidder's conference held on May 29, 2014, the District addressed the concerns expressed at the May 27, 2014, Board meeting by clarifying to the attendees that they would be able to establish agreements with subcontractors in those regions, where they are not based, in order to meet the RFP requirements. Following the conference, the District extended the closing date on the RFP for one week until June 17, 2014, to allow bidders additional time to establish agreements with subcontractors.

RFP Cancellation

Given the continued concerns expressed regarding the requirement that bidders have at least five separate maintenance locations, the District canceled the current RFP on June 10, 2014, with the intent of releasing a new one within 90 days. This will allow the District additional time to evaluate measures aimed at encouraging small businesses to either submit proposals and/or participate as subcontractors that can be incorporated into a new RFP. The cancellation of the current RFP will in no way disrupt fleet maintenance and repair services, as the 30 contracts that the District currently has in

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place can, through delegated authority, be extended on a month-to-month basis for a period of one year through September 2015. This will allow for sufficient time to complete the new RFP process and obtain Board approval for those vendors who are awarded contracts.

Should you have any questions or need additional information, your staff may contact Georgia Mattera, Public Safety, at (213) 893-2374.

WTF:GAM:SW
DC:cc

c: Executive Office, Board of Supervisors
County Counsel
Internal Services

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